# Unions Neg

## A2 LW Good for Unions

### A2 Movements Good [Martin]

#### Their Martin evidence says living wage MOVEMENTS build labor-community coalitions which are good for unions – passing a living wage policy ITSELF won’t do anything

#### In fact, passing a living wage is counterproductive to union organization – it causes co-option of movements which destroys their ability to build ties

Moore 15 [(Ty Moore, 15 Now Organizing Director) “UNITING FIGHT FOR $15 WITH FERGUSON FURY” Jan 3, 2015] AT

Unfortunately, the union leaders’ ties to the Democratic Party at the national and local level – where Democratic mayors oversee racist police policies in most major cities – undermine their ability to win the trust of youthful protesters. These same Democratic Party leaders have played a generally conservative role in the fight for $15. They sometimes offer solidarity in words to fast food workers protesting McDonalds, but fail to champion $15 where they have the power to act at the city, state, and federal level. During the Ferguson protests especially, the Governor and other Democratic Party politicians who intervened did so mainly to quell the protests, either through supporting police repression or demanding protesters clear the streets to restore “peace.” So it is understandable that many youthful #BlackLivesMatter protesters are afraid that partnering with politicians and union leaders risks co-optation. Some will remember that during the Occupy movement in 2011, SEIU’s president Mary Kay Henry orchestrated a joint national day of action with Occupy Wall Street leaders, only to use the event to offer SEIU’s high profile early endorsement of Obama, calling him the “President of the 99%” to the outrage of most Occupy activists. There is mass popular anger at income inequality, racism, sexism, environmental destruction, and the corporate corruption of both major political parties. Polls show half of all young people have a negative view of capitalism, and anti-capitalist consciousness is highest in Black communities. The same youthful, combative, and radical mood expressed in the Occupy Wall Street protests of 2011 are present today in the #BlackLivesMatter movement, with the crucial difference that today’s movement is bringing a more oppressed, working class section of youth to the forefront. However, like Occupy before, the new movement against police racism will quickly face tough decisions. Endless protests and highway takeovers, if not connected to a clearly understood strategy to win tangible victories, will eventually exhaust the movement. A section of activists will be co-opted into the well funded non-profits and Democratic Party aligned efforts pushing for small-scale reforms. Limiting our demands to band-aid reforms like police cameras or slowing the flow of military weaponry to local police, while positive, won’t be enough to inspire the kind of mass movement needed. There is a burning desire to see fundamental changes. Yet many liberal leaders make the mistake of limiting demands to what they believe the current system, the current government, can “realistically” deliver. This so-called “realistic” approach fails in two ways. It fails because, as Malcolm X famously explained, “you can’t have capitalism without racism,” which means there is no way to meet the expectations of the movement for fundamental change without challenging the whole rotten system. The liberal approach of limiting our demands to small-scale reforms also fails because it undermines our strength to even win those small reforms! Mass movements are the only power that can win meaningful reforms for working people, but to inspire the level of energy and self-sacrifice needed to sustain mass struggle, activists need confidence that fundamental changes are within reach. How can this confidence be built when our fighting demands remain limited to what this rotten capitalist system and deeply corrupted two-party political system is prepared to deliver? Historically, all the most significant reforms within capitalism have been won when the ruling class is threatened with widening revolutionary consciousness. In contrast to liberal leaders, socialists urge movements to link up demands around immediate small-scale reforms with bigger transformative demands that offer a vision of fundamental change. The young people demanding justice for Mike Brown and Eric Garner have made clear they want to live in a society free from racist police policies, free from poverty, from unequal jobs, unequal housing, unequal education, etc.

### Turn - LW Kills Bargaining

#### Use of complex statutory minimum wage codes directly trades off with workers’ abilities to engage in collective bargaining

ILO 08 International Labour Organization, CREDENTIALS, “Minimum wages and collective bargaining: Towards policy coherence”, Published by the International Labour Office, 2008, DDA

This section focuses on the appropriate articulation and design of minimum wages and collective bargaining policies. As we have seen, in many countries collective bargaining is facing difficult challenges, which may be linked to globalization, new forms of employment or the growth of subcontracting. In other countries, collective bargaining has been presented as a source of rigidity and the common recommendation has been to replace higher level collective bargaining with bargaining at the enterprise level. In many of these cases, to protect the most vulnerable workers in the labour market, governments seem to have turned towards minimum wages policies as a substitute for collective bargaining. In the absence of strong collective bargaining, governments somehow seem compelled to intervene in wage determination through minimum wages. This has sometimes led to very complicated systems of industry, sectoral and occupational minimum wages. The reliance on overly complex systems of minimum wages rather than collective bargaining is unfortunate for at least two reasons. First, the role of collective bargaining goes much beyond protecting vulnerable workers – it actually benefi ts a broader spectrum of workers than do minimum wages. Collective bargaining also goes beyond wage negotiations to include other aspects of working conditions, such as hours of work and quality of employment. Second, minimum wages that set wage rates for many categories of workers in different industries can end up discouraging collective bargaining instead of stimulating it. While some negotiations between social partners over minimum wages have contributed to stimulating collective bargaining, in the majority of cases complex minimum wages were found to “crowd out” collective bargaining. This negative experience points towards the importance of careful and coherent policy design. In the following paragraphs we therefore review some good practices related to the design of a complementary and coherent set of minimum wages and collective bargaining policies.

## Unions Bad DA

### Link

#### Living wages spark union membership, organization, and empower bargaining.

Martin 01 [(Isaac, professor in the Department of Sociology and the Urban Studies and Planning Program at the University of California, San Diego) “Dawn of the Living Wage: The Diffusion of a Redistributive Municipal Policy” Urban Affairs Review 2001 36: 470]

Many labor unions also find the living wage idea attractive. In Baltimore, AFSCME members employed by the city have benefited from the living wage ordinance, which raises the cost of contracting with the private sector for work that could be done by municipal employees. Other local unions have seen living wage ordinances as a way to aid collective bargaining by raising the prevailing wage for an already-organized sector or as a tool to help organize nonunion workers. Central labor councils (CLCs), which operate as countywide or regional federations of local labor unions within the AFL-CIO, have in many cases actively supported living wage campaigns (see, e.g., Eimer 1999; Nissen 1999). With recent changes in the leadership of the AFL-CIO, living wage ordinances have also become a part of the strategy of organized labor at the national level. The Baltimore ordinance coincided with a contested election that brought John Sweeney’s reform slate to power within the national AFL-CIO, and the new leadership recognized the Baltimore campaign as a way to help labor’s program of organizing on a market wide basis (see Sweeney 1998, 332). In addition to the policy benefits, labor has taken an interest in living wage campaigns as a way to form long-term labor-community coalitions that may help union organizing (see Needleman 1998; but see Bronfenbrenner and Juravich 1998, 32). The AFL-CIO has undertaken a variety of initiatives to encourage its affiliated unions and CLCs to ally with community groups around campaigns, including the living wage. In addition to collecting and disseminating information on living wage ordinances (AFL-CIO1999a), the AFL-CIO has recently convened national meetings of CLCs to share successful coalition-building strategies (Gapasin and Wial 1998) and has initiated the Union Cities program, which promises additional resources to CLCs that sign an eight-point pledge to act as vehicles for organizing and grassroots coalition building(AFL-CIO1999b;Eimer1999;Fine 1998, 126).

### TL Short

#### Unions restrict jobs which increases prices, cause massive job loss, and slow growth, and expansion doesn’t boost wages – the net economic effect is negative

Shirk 9 [(James Shirk, Research Fellow, Labor Economics Center for Data Analysis The Institute for Economic Freedom and Opportunity at The Heritage Foundation) “What Unions Do: How Labor Unions Affect Jobs and the Economy”] AT

What do unions do? The AFL-CIO argues that unions offer a pathway to higher wages and prosperity for the middle class. Critics point to the collapse of many highly unionized domestic industries and argue that unions harm the economy. To whom should policymakers listen? What unions do has been studied extensively by economists, and a broad survey of academic studies shows that while unions can sometimes achieve benefits for their members, they harm the overall economy. Unions function as labor cartels. A labor cartel restricts the number of workers in a company or industry to drive up the remaining workers' wages, just as the Organization of Petroleum Exporting Countries (OPEC) attempts to cut the supply of oil to raise its price. Companies pass on those higher wages to consumers through higher prices, and often they also earn lower profits. Economic research finds that unions benefit their members but hurt consumers generally, and especially workers who are denied job opportunities. The average union member earns more than the average non-union worker. However, that does not mean that expanding union membership will raise wages: Few workers who join a union today get a pay raise. What explains these apparently contradictory findings? The economy has become more competitive over the past generation. Companies have less power to pass price increases on to consumers without going out of business. Consequently, unions do not negotiate higher wages for many newly organized workers. These days, unions win higher wages for employees only at companies with competitive advantages that allow them to pay higher wages, such as successful research and development (R&D) projects or capital investments. Unions effectively tax these investments by negotiating higher wages for their members, thus lowering profits. Unionized companies respond to this union tax by reducing investment. Less investment makes unionized companies less competitive. This, along with the fact that unions function as labor cartels that seek to reduce job opportunities, causes unionized companies to lose jobs. Economists consistently find that unions decrease the number of jobs available in the economy. The vast majority of manufacturing jobs lost over the past three decades have been among union members--non-union manufacturing employment has risen. Research also shows that widespread unionization delays recovery from economic downturns. Some unions win higher wages for their members, though many do not. But with these higher wages, unions bring less investment, fewer jobs, higher prices, and smaller 401(k) plans for everyone else. On balance, labor cartels harm the economy, and enacting policies designed to force workers into unions will only prolong the recession. <continues> Unions simply do not provide the economic benefits that their supporters claim they provide. They are labor cartels, intentionally reducing the number of jobs to drive up wages for their members. In competitive markets, unions cannot cartelize labor and raise wages. Companies with higher labor costs go out of business. Consequently, unions do not raise wages in many newly organized companies. Unions can raise wages only at companies that have competitive advantages that permit them to pay higher wages, such as successful R&D projects or long-lasting capital investments. On balance, unionizing raises wages between 0 percent and 10 percent, but these wage increases come at a steep economic cost. They cut into profits and reduce the returns on investments. Businesses respond predictably by investing significantly less in capital and R&D projects. Unions have the same effect on business investment as does a 33 percentage point corporate income tax increase. Less investment makes unionized companies less competitive, and they gradually shrink. Combined with the intentional efforts of a labor cartel to restrict labor, unions cut jobs. Unionized firms are no more likely than non-union firms to go out of business--unions make concessions to avoid bankruptcy--but jobs grow at a 4 percent slower rate at unionized businesses than at other companies. Over time, unions destroy jobs in the companies they organize. In manufacturing, three-quarters of all union jobs have disappeared over the past three decades, while the number of non-union jobs has increased. No economic theory posits that cartels improve economic efficiency. Nor has reality ever shown them to do so. Union cartels retard economic growth and delay recovery from recession. Congress should remember this when considering legislation, such as EFCA, that would abolish secret-ballot elections and force workers to join unions.

#### Economic growth is the single best way to reduce poverty

Bhagwati 11 [(Jagdish, University Professor of Law and Economics at Columbia University, Senior Fellow at the Council on Foreign Relations, served in top-level advisory positions for the WTO and UN, Economic Policy Adviser to the Director-General, GATT, Special Adviser to the UN on globalization) “Does Redistributing Income Reduce Poverty?” Project Syndicate Oct. 27, 2011] AT

NEW YORK – Many on the left are suspicious of the idea that economic growth helps to reduce poverty in developing countries. They argue that growth-oriented policies seek to increase gross national product, not to ameliorate poverty, and that redistribution is the key to poverty reduction. These assertions, however, are not borne out by the evidence. Since the 1950’s, developmental economists have understood that growth in GNP is not synonymous with increased welfare. But, even prior to independence, India’s leaders saw growth as essential for reducing poverty and increasing social welfare. In economic terms, growth was an instrument, not a target – the means by which the true targets, like poverty reduction and the social advancement of the masses, would be achieved. A quarter-century ago, I pointed out the two distinct ways in which economic growth would have this effect. First, growth would pull the poor into gainful employment, thereby helping to lift them out of poverty. Higher incomes would enable them to increase their personal spending on education and health (as seems to have been happening in India during its recent period of accelerated growth). Second, growth increases state revenues, which means that the government can potentially spend more on health and education for the poor. Of course, a country does not necessarily spend more on such items simply because it has increased revenue, and, even if it does, the programs it chooses to fund may not be effective. In almost willful ignorance of the fact that the growth-centered model has proved itself time and again, skeptics advocate an alternative “redistributive” developmental model, which they believe will have a greater impact on reducing poverty. Critics of the growth model argue that it is imperative to redistribute income and wealth as soon as possible. They claim that the Indian state of Kerala and the country of Bangladesh are examples where redistribution, rather than growth, has led to better outcomes for the poor than in the rest of India. CommentsYet, as Columbia University economist Arvind Panagariya’s recent work shows, Kerala’s social statistics were better than those in the rest of the country even before it instituted its current redistributive model. Moreover, Kerala has profited immensely from remittances sent home by its émigré workers in the Middle East, a factor unrelated to its redistributive policy. As for Bangladesh, the United Nations’ Human Development Index, admittedly a problematic source, ranks it below India. In impoverished countries where the poor exceed the rich by a huge margin, redistribution would increase the consumption of the poor only minimally – by, say, a chapati a day – and the increase would not be sustainable in a context of low income and high population growth. In short, for most developing countries, growth is the principal strategy for inclusive development – that is, development that consciously includes the marginal and poorest members of a society.

### TL Long

#### Unions increase consumer prices, decrease business flexibility, don’t significantly increase wages and cut profits and investment – this causes MASSIVE job loss and economic recession

Shirk 9 [(James Shirk, Research Fellow, Labor Economics Center for Data Analysis The Institute for Economic Freedom and Opportunity at The Heritage Foundation) “What Unions Do: How Labor Unions Affect Jobs and the Economy”] AT

Unions raise the wages of their members both by forcing consumers to pay more for what they buy or do without and by costing some workers their jobs. They have the same harmful effect on the economy as other cartels, despite benefiting some workers instead of stock owners. That is why the federal anti-trust laws exempt labor unions; otherwise, anti-monopoly statutes would also prohibit union activity. Unions' role as monopoly cartels explains their opposition to trade and competition. A cartel can charge higher prices only as long as it remains a monopoly. If consumers can buy elsewhere, a company must cut its prices or go out of business. This has happened to the UAW. Non-union workers at Honda and Toyota plants now produce high-quality cars at lower prices than are possible in Detroit. As consumers have voted with their feet, the Detroit automakers have been brought to the brink of bankruptcy. The UAW has now agreed to significant concessions that will eliminate a sizeable portion of the gap between UAW and non-union wages. With competition, the union cartel breaks down, and unions cannot force consumers to pay higher prices or capture higher wages for their members. Unions in Practice Economic theory consequently suggests that unions raise the wages of their members at the cost of lower profits and fewer jobs, that lower profits cause businesses to invest less, and that unions have a smaller effect in competitive markets (where a union cannot obtain a monopoly). Dozens of economic studies have examined how unions affect the economy, and empirical research largely confirms the results of economic theory. What follows is a summary of the state of economic research on labor unions. The Appendix summarizes the papers referenced in the main body of this paper. Unions in the Workplace Unionizing significantly changes the workplace in addition to its effects on wages or jobs. Employers are prohibited from negotiating directly with unionized employees. Certified unions become employees' exclusive collective bargaining representatives. All discussions about pay, performance, promotions, or any other working conditions must occur between the union and the employer. An employer may not change working conditions--including raising salaries--without negotiations. Unionized employers must pay thousands of dollars in attorney's fees and spend months negotiating before making any changes in the workplace. Unionized companies often avoid making changes because the benefits are not worth the time and cost of negotiations. Both of these effects make unionized businesses less flexible and less competitive.[6] Final union contracts typically give workers group identities instead of treating them as individuals. Unions do not have the resources to monitor each worker's performance and tailor the contract accordingly. Even if they could, they would not want to do so. Unions want employees to view the union--not their individual achievements--as the source of their economic gains. As a result, union contracts typically base pay and promotions on seniority or detailed union job classifications. Unions rarely allow employers to base pay on individual performance or promote workers on the basis of individual ability.[7] Consequently, union contracts compress wages: They suppress the wages of more productive workers and raise the wages of the less competent. Unions redistribute wealth between workers. Everyone gets the same seniority-based raise regardless of how much or little he contributes, and this reduces wage inequality in unionized companies.[8] But this increased equality comes at a cost to employers. Often, the best workers will not work under union contracts that put a cap on their wages, so union firms have difficulty attracting and retaining top employees.[9] Effect on Wages Unions organize workers by promising higher wages for all workers. Economists have studied the effects of unions on wages exhaustively and have come to mixed conclusions. Numerous economic studies compare the average earnings of union and non-union workers, holding other measurable factors--age, gender, education, and industry--constant. These studies typically find that the average union member earns roughly 15 percent more than comparable non-union workers.[10] More recent research shows that errors in the data used to estimate wages caused these estimates to understate the true difference. Estimates that correct these errors show that the average union member earns between 20 percent and 25 percent more than similar non-union workers.[11] Correlation Is Not Causation But these studies do not show that unionizing would give the typical worker 20 percent higher wages: Correlation does not imply causation. Controlling for factors like age and education, the average worker in Silicon Valley earns more than the average worker in Memphis, but moving every worker in Memphis to Silicon Valley would not raise his or her wages. Workers in Silicon Valley earn more than elsewhere because they have specialized skills and work for high-paying technology companies, not because they picked the right place to live. Similarly, it is not necessarily unions that raise wages. They may simply organize workers who would naturally earn higher wages anyway. Unions do not organize random companies. They target large and profitable firms that tend to pay higher wages. Union contracts also make firing underperforming workers difficult, so unionized companies try to avoid hiring workers who might prove to be underperformers. High-earning workers do not want seniority schedules to hold them back and therefore avoid unionized companies. Economists have attempted to correct this problem by examining how workers' wages change when they take or leave union jobs. This controls for unobservable worker qualities such as initiative or diligence that raise wages and may be correlated with union membership--the worker has the same skills whether he belongs to a union or not. These studies typically show that workers' wages rise roughly 10 percent when they take union jobs and fall by a similar amount when they leave those jobs.[12] Data errors become particularly problematic when following workers over time instead of comparing averages across groups. Some economists argue that these errors artificially diminish the union effect.[13] More recent research explicitly correcting for measurement errors has found that taking union jobs causes workers' wages to rise between 8 percent and 12 percent.[14] One Canadian study expressly examined how much of the difference between union and non-union wages was caused by unions and how much came from unmeasured individual skills. Over three-fifths of the higher wages earned by union members came from having more valuable skills, not from union membership itself.[15] Just as the land surrounding Silicon Valley does not itself raise wages, most of the difference between union and non-union wages has little or nothing to do with unions themselves. Wage Changes After Unionization Studies tracking individual workers also do not prove that unionizing necessarily raises wages. Individual data do not account for firm-specific factors, such as large firms both paying higher wages and being targeted more commonly for organizing drives. To discover the causal affect of organizing on wages, researchers compare wage changes at newly organized plants with wage changes at plants where organizing drives failed. Such studies look at the same workers and same plants over time, thereby controlling for many unmeasured effects. These studies come to the surprising conclusion that forming a union does not raise workers' wages.[16] Wages do not rise in plants that unionize relative to plants that vote against unionizing. Several of the authors of these studies have endorsed EFCA, but their research argues that expanding union membership will not raise wages. This should not come as a complete surprise. Unions in competitive markets have little power to raise wages because companies cannot raise prices without losing customers. Additionally, some unions-- such as the Service Employees International Union--have expanded by striking deals promising not to seek wage increases for workers if the employer agrees not to campaign against the union. Total Wage Effects While economic research as a whole does not conclusively disprove that unions raise wages, some studies do come to this conclusion. It is difficult to reconcile these studies with the large body of other research showing that union members earn more than non-union members, or with the strong evidence that unions reduce profits. A better summary of the economic research is that unions do not increase workers' wages by nearly as much as they claim and that, at a number of companies, they do not raise wages at all. Once researchers control for individual ability, unions raise wages between 0 percent and 10 percent, depending on the circumstances of the particular companies and workers. Effect on Businesses Union wage gains do not materialize out of thin air. They come out of business earnings. Other union policies, such as union work rules designed to increase the number of workers needed to do a job and stringent job classifications, also raise costs. Often, unionized companies must raise prices to cover these costs, losing customers in the process. Fewer customers and higher costs would be expected to cut businesses' earnings, and economists find that unions have exactly this effect. Unionized companies earn lower profits than are earned by non-union businesses. Studies typically find that unionized companies earn profits between 10 percent and 15 percent lower than those of comparable non-union firms.[17] Unlike the findings with respect to wage effects, the research shows unambiguously that unions directly cause lower profits. Profits drop at companies whose unions win certification elections but remain at normal levels for non-union firms. One recent study found that shareholder returns fall by 10 percent over two years at companies where unions win certification.[18]These studies do not create controversy, because both unions and businesses agree that unions cut profits. They merely disagree over whether this represents a feature or a problem. Unions argue that they get workers their "fair share," while employers complain that union contracts make them uncompetitive. Which Profits Fall? Unions do not have the same effect at all companies. In competitive markets, unions have very little power to raise wages and reduce profits. Companies cannot raise prices without losing business, but if union wage increases come out of normal operating profits, investors take their money elsewhere. However, not all markets are perfectly competitive. Unions can redistribute from profits to wages when firms have competitive advantages. Economic research shows that union wage gains come from redistributing abnormal profits that firms earn from competitive advantages such as limited foreign competition or from growing demand for the company's products. Unions also redistribute the profits that stem from investments in successful R&D projects and long-lasting capital investments.[19]Consider a manufacturing company that invests in productivity-enhancing machines. Workers' output increases, and the company earns higher profits years after the initial investment. It has an advantage in the marketplace over companies that did not make that same investment. Unions redistribute the higher profits from this investment--not the normal return from operating a business--to their members. Unions Reduce Investment In essence, unions "tax" investments that corporations make, redistributing part of the return from these investments to their members. This makes undertaking a new investment less worthwhile. Companies respond to the union tax in the same way they respond to government taxes on investment--by investing less. By cutting profits, unions also reduce the money that firms have available for new investments, so they also indirectly reduce investment. Consider General Motors, now on the verge of bankruptcy. The UAW agreed to concessions in the 2007 contracts and has made more concessions since then. If General Motors had invested successfully in producing an inexpensive electric car, and if sales of that new vehicle had made GM profitable, then the UAW would not have agreed to any concessions. The UAW would be demanding higher wages. After the union tax, R&D investments earn lower returns for GM than for its non-union competitors such as Toyota and Honda. Economic research demonstrates overwhelmingly that unionized firms invest less in both physical capital and intangible R&D than non-union firms do.[20] One study found that unions directly reduce capital investment by 6 percent and indirectly reduce capital investment through lower profits by another 7 percent. This same study also found that unions reduce R&D activity by 15 percent to 20 percent.[21] Other studies find that unions reduce R&D spending by even larger amounts.[22]Research shows that unions directly cause firms to reduce their investments. In fact, investment drops sharply after unions organize a company. One study found that unionizing reduces capital investment by 30 percent--the same effect as a 33 percentage point increase in the corporate tax rate.[23] Unions Reduce Jobs Lower investment obviously hinders the competitiveness of unionized firms. The Detroit automakers have done so poorly in the recent economic downturn in part because they invested far less than their non-union competitors in researching and developing fuel-efficient vehicles. When the price of gas jumped to $4 a gallon, consumers shifted away from SUVs to hybrids, leaving the Detroit carmakers unable to compete and costing many UAW members their jobs. Economists would expect reduced investment, coupled with the intentional effort of the union cartel to reduce employment, to cause unions to reduce jobs in the companies they organize. Economic research shows exactly this: Over the long term, unionized jobs disappear. Consider the manufacturing industry. Most Americans take it as fact that manufacturing jobs have decreased over the past 30 years. However, that is not fully accurate. Chart 1 shows manufacturing employment for union and non-union workers. Unionized manufacturing jobs fell by 75 percent between 1977 and 2008. Non-union manufacturing employment increased by 6 percent over that time. In the aggregate, only unionized manufacturing jobs have disappeared from the economy. As a result, collective bargaining coverage fell from 38 percent of manufacturing workers to 12 percent over those years. Manufacturing Employment: Union vs. Non-union Manufacturing jobs have fallen in both sectors since 2000, but non-union workers have fared much better: 38 percent of unionized manufacturing jobs have disappeared since 2000, compared to 18 percent of non-union jobs.[24] Other industries experienced similar shifts. Chart 2 shows union and non-union employment in the construction industry. Unlike the manufacturing sector, the construction industry has grown considerably since the late 1970s. However, in the aggregate, that growth has occurred exclusively in non-union jobs, expanding 159 percent since 1977. Unionized construction jobs fell by 17 percent. As a result, union coverage fell from 38 percent to 16 percent of all construction workers between 1977 and 2008.[25] Private Construction Employment: Union vs. Non-union This pattern holds across many industries: Between new companies starting up and existing companies expanding, non-union jobs grow by roughly 3 percent each year, while 3 percent of union jobs disappear.[26] In the long term, unionized jobs disappear and unions need to replenish their membership by organizing new firms. Union jobs have disappeared especially quickly in industries where unions win the highest relative wages.[27] Widespread unionization reduces employment opportunities. More Contractions but Not More Bankruptcies Counterintuitively, research shows that unions do not make companies more likely to go bankrupt. Unionized firms do not go out of business at higher rates than non-union firms.[28] Unionized firms do, however, shed jobs more frequently and expand less frequently than non-union firms.[29] Most studies show that jobs contract or grow more slowly, by between 3 and 4 percentage points a year, in unionized businesses than they do in non-unionized businesses.[30] How can union firms both lose jobs at faster rates than non-union firms and have no greater likelihood of going out of business? Unions try not to ruin the companies they organize. They agree to concessions at distressed firms to keep them afloat. However, unions prefer layoffs over pay cuts when a firm does not face imminent liquidation. Layoffs at most union firms occur on the basis of seniority: Newer hires lose their jobs before workers with more tenure lose theirs. Senior members with the greatest influence in the union know that they will keep their jobs in the event of layoffs but that they will also suffer pay reductions. Consequently, unions negotiate contracts that allow firms to lay off newer hires and keep pay high for senior members instead of contracts that lower wages for all workers and preserve jobs.[31] Economists expect unions to behave like this. They are cartels that work by keeping employment down to raise wages for their members. Consider General Motors. GM shed tens of thousands of jobs over the past decade, but the UAW steadfastly refused to any concessions that would have improved GM's competitive standing. Only in 2007--with the company on the brink of bankruptcy--did the UAW agree to lower wages, and then only for new hires. The UAW accepted steep job losses as the price of keeping wages high for senior members. If GM does file for bankruptcy, it will likely emerge as a smaller but more competitive firm. It will still exist and employ union members--but tens of thousands of UAW members have lost their jobs. Unions Cause Job Losses The balance of economic research shows that unions do not just happen to organize firms with more layoffs and less job growth: They cause job losses. Most studies find that jobs drop at newly organized companies, with employment falling between 5 percent and 10 percent.[32] One prominent study comparing workers who voted narrowly for unionizing with those who voted narrowly against unionizing came to the opposite conclusion, finding that newly organized companies were no more likely to shed jobs or go out of business.[33] That study, however--prominently cited by labor advocates--essentially found that unions have no effect on the workplace. Jobs did not disappear, but wages did not rise either. Unless the labor movement wants to concede that unions do not raise wages, it cannot use this research to argue that unions do not cost jobs. Slower Economic Recovery Labor cartels attempt to reduce the number of jobs in an industry in order to raise the wages of their members. Unions cut into corporate profitability, also reducing business investment and employment over the long term. These effects do not help the job market during normal economic circumstances, and they cause particular harm during recessions. Economists have found that unions delay economic recoveries. States with more union members took considerably longer than those with fewer union members to recover from the 1982 and 1991 recessions.[34] Policies designed to expand union membership whether workers want it or not--such as the misnamed Employee Free Choice Act--will delay the recovery. Economic research has demonstrated that policies adopted to encourage union membership in the 1930s deepened and prolonged the Great Depression. President Franklin Roosevelt signed the National Labor Relations Act. He also permitted industries to collude to reduce output and raise prices--but only if the companies in that industry unionized and paid above-market wages. This policy of cartelizing both labor and businesses caused over half of the economic losses that occurred in the 1930s.[35] Encouraging labor cartels will also lengthen the current recession.

#### Economic growth is the single best way to reduce poverty

Bhagwati 11 [(Jagdish, University Professor of Law and Economics at Columbia University, Senior Fellow at the Council on Foreign Relations, served in top-level advisory positions for the WTO and UN, Economic Policy Adviser to the Director-General, GATT, Special Adviser to the UN on globalization) “Does Redistributing Income Reduce Poverty?” Project Syndicate Oct. 27, 2011] AT

NEW YORK – Many on the left are suspicious of the idea that economic growth helps to reduce poverty in developing countries. They argue that growth-oriented policies seek to increase gross national product, not to ameliorate poverty, and that redistribution is the key to poverty reduction. These assertions, however, are not borne out by the evidence. Since the 1950’s, developmental economists have understood that growth in GNP is not synonymous with increased welfare. But, even prior to independence, India’s leaders saw growth as essential for reducing poverty and increasing social welfare. In economic terms, growth was an instrument, not a target – the means by which the true targets, like poverty reduction and the social advancement of the masses, would be achieved. A quarter-century ago, I pointed out the two distinct ways in which economic growth would have this effect. First, growth would pull the poor into gainful employment, thereby helping to lift them out of poverty. Higher incomes would enable them to increase their personal spending on education and health (as seems to have been happening in India during its recent period of accelerated growth). Second, growth increases state revenues, which means that the government can potentially spend more on health and education for the poor. Of course, a country does not necessarily spend more on such items simply because it has increased revenue, and, even if it does, the programs it chooses to fund may not be effective. In almost willful ignorance of the fact that the growth-centered model has proved itself time and again, skeptics advocate an alternative “redistributive” developmental model, which they believe will have a greater impact on reducing poverty. Critics of the growth model argue that it is imperative to redistribute income and wealth as soon as possible. They claim that the Indian state of Kerala and the country of Bangladesh are examples where redistribution, rather than growth, has led to better outcomes for the poor than in the rest of India. CommentsYet, as Columbia University economist Arvind Panagariya’s recent work shows, Kerala’s social statistics were better than those in the rest of the country even before it instituted its current redistributive model. Moreover, Kerala has profited immensely from remittances sent home by its émigré workers in the Middle East, a factor unrelated to its redistributive policy. As for Bangladesh, the United Nations’ Human Development Index, admittedly a problematic source, ranks it below India. In impoverished countries where the poor exceed the rich by a huge margin, redistribution would increase the consumption of the poor only minimally – by, say, a chapati a day – and the increase would not be sustainable in a context of low income and high population growth. In short, for most developing countries, growth is the principal strategy for inclusive development – that is, development that consciously includes the marginal and poorest members of a society.

### Stock Growth STudy

#### Union expansion crushes economic growth – every union member loses $40K – the results are strong and uses the longest data

Lee 9 [(David S. Lee, professor of economics and public affairs and the director of the Industrial Relations Section at Princeton University; Alexandre Mas, professor of economics at University of California, Berkeley) “Long-Run Impacts of Unions on Firms: New Evidence from Financial Markets, 1961-1999” Institute for Research on Labor and Employment Working Paper Series (University of California, Berkeley) 2009] AT

In this paper, we first assess the extent to which the pattern in Figure 1 is a generalizable phenomenon, measuring an average overall effect of unionization among publicly-traded firms. To do so, we begin with a sample frame that is the universe of all firms with NLRB union representation elections between 1961-1999. Since a large number of unionized workplaces in the U.S. come into existence via a secret-ballot election on the question of representation, this population provides a reasonable representation of newly unionized workplaces and, to the extent they survive, the future stock of unions in the United States. We begin analyzing the stock market reaction to union victories using event-study methodologies. The most distinctive feature of our data – crucial for our research design – is the long panel (up to 48 months before and after the election) of high-frequency data on stock market returns for each firm. This feature allows us to use the pre-event data to test the adequacy of the benchmarks used to predict the counterfactual returns in the post-event period. The long panel also allows us to examine returns several months beyond the event, so as to capture the long-run expected effects of new unions, without having to rely heavily on the assumption that the stock price immediately and instantaneously adjusts to capture the expected presence of the unions. Our event-study analysis reveals substantial losses in market value following a union election victory – about a 10 percent decline, equivalent to about $40,500 per unionized worker. The evidence supporting this finding is compelling: we find that these firms’ average returns are quite close to the predicted returns every month leading up to the election, but at precisely at the time of the election, the actual and counterfactual returns diverge. The results for these firms are robust to a number of different specifications. In the sample of firms where we know that the union is a small fraction of the workforce, we do not find a similar divergence of returns from the benchmark. Notably, while the equity value of firms unionizing begins diverging at the time of the election, the full effect takes approximately 18 months to fully materialize. This slow speed of adjustment is consistent with a number of studies showing that over horizons of 3 to 12 months share prices underreact to bad news (Hong et al., 2000).

#### Prefer this ev – only it adequately screens out alt causes and captures long-run effects of union expansion

Lee 9 [(David S. Lee, professor of economics and public affairs and the director of the Industrial Relations Section at Princeton University; Alexandre Mas, professor of economics at University of California, Berkeley) “Long-Run Impacts of Unions on Firms: New Evidence from Financial Markets, 1961-1999” Institute for Research on Labor and Employment Working Paper Series (University of California, Berkeley) 2009] AT

A similar issue arises in the well-known study of Ruback and Zimmerman (1984), which, like our analysis, examines the stock market reaction to NLRB union certification events.6 There, the main estimates of a 3.8 percent drop in stock market valuation is computed within a few months surrounding the unionization event.7 Again, the difficulty in interpretation arises from the substantial negative abnormal returns that emerge well before the unionization event; specifically, a decline in market value of about 7 percent between the 12th and 7th months preceding unionization. While Ruback and Zimmerman (1984) have no explanation for this significant decline, they argue that it is unlikely to indicate anticipation of the outcome of the election due to its timing.8 This pattern raises the question of whether the post-election decline in the stock market valuation reflects unionization or the factors which led to the pre-election trend in the first place. In our analysis, we address these ambiguities by taking advantage of a very long panel of monthly data on stock returns, using an arguably more disciplined approach to modeling the counterfactual “no union” state. Specifically, we use the data from 24 months prior to the event and just before the event to test our specification. If there are significant departures between our predicted returns and the observed returns over the two year period before the event, we consider any estimates obtained from the post-event data to be invalid.9 This approach is a direct application of conventional testing of over-identifying restrictions for “difference-in-difference” modeling in labor economics program evaluation.10 Furthermore, we track abnormal returns over a period of at least 24 months after the unionization. Strictly speaking, perfectly efficient financial markets imply that any changes in valuation caused by the outcome of the election that are known to investors will be fully capitalized into the stock price by the time the outcome of the election is revealed. Nevertheless, our approach relies less on the assumption of instantaneous adjustment by examining the patterns of returns for many months following unionization, thus allowing time for the market to adjust. The final closely related study is the regression discontinuity analysis of union elections, using data from the LRD, in DiNardo and Lee (2004). They exploit the “near-experiment” generated by secret ballot elections, comparing establishments where unions became recognized by a close margin of the vote with workplaces where the union barely lost. The most precise estimates in that study are those on wages: wage increases of 2 percent could be statistically ruled out as far away as seven years after the election.11 There are a number of important limitations to inferring the long-run costs of unions from this evidence. For one, it may take a much longer period of time – perhaps a decade or more – for unions to establish enough support within the workplace to have the required bargaining power to negotiate for substantially higher wages. Secondly, unions impose other costs that are not measured by the LRD, such as the use of seniority rules, work rules, grievance procedures, and other working conditions specified in union contracts. In principal, our approach in this paper of examining the effect of stock market valuation addresses both of these concerns: if the market correctly prices the firm, it should capture the sum of all costs imposed by the union, and effects that might occur many years in the future should be capitalized into the stock market valuation of the firm in the short-run. A final important limitation is that by estimating a discontinuity in the relationship between wages and the vote share at the 50 percent threshold, the RD analysis can only estimate a weighted average treatment effect, where the weights are proportional to the ex ante likelihood an election was predicted to be “close.”12 That is, among the observed close elections, a disproportionately small number would have had the fundamentals of strong union support. The RD is fundamentally unable to provide a counterfactual for the set of elections where workers voted 90 percent in favor of unionization. By contrast, the present analysis seeks to estimate effects for precisely these “inframarginal cases.” In the analysis we describe below, we present results from both an event-study as well as an RD approach, and provide a framework for interpreting both sets of results.

### Extra Growth Card

#### Unions slow growth and don’t help workers

Soltas 14 [Evan Soltas. “Is the U.S. Better Off Without Unions?” Bloomberg, 2/19/14] AJ

That loss was more than just symbolic. The United Auto Workers framed it, as Alec MacGillis of the New Republic has pointed out, as a fight for “the future of organized labor.” That was only a slight exaggeration. A win in Tennessee would have also made it far easier to unionize Southern auto plants, where the future of the U.S. industry lies. Trying to pin this on Republicans like Tennessee Senator Bob Corker or Governor Bill Haslam -- both of whom made public threats against the workers if they unionized -- won't get you very far. Unions have been undermined by a combination of worker hostility and the rising power of capital over labor. Their demise raises a question: Is the U.S. better off without them? Freeman and Medoff’s conclusion still stands. Unions have two roles to play in the American economy: They balance power between employers and workers, and they provide a voice for workers that management can hear. Freeman and Medoff thought the first role was important but not entirely positive, and they’re right. Union power comes from turning labor into a cartel. Although it helps union members, it’s inefficient and bad for the economy as a whole, and it’s especially bad for nonunion workers. But that’s not the union’s only job, Freeman and Medoff responded -- their role as a worker voice reduces job turnover and may boost productivity. That end is unambiguously good. Whether to mourn unions depends on whether you believe the good outweighs the bad. Wherever you land on that question, though, the U.S. must find ways to replace what good unions did. It must restore power to labor in a world without Labor. And that couldn’t be much more urgent. Workers’ share of income, which until recently had been so stable that fundamental economic models are premised on its stability, is plummeting. Wage growth and median incomes seem locked in a slow- to no-growth zone. The strength of capital seems ever greater than of labor; just take a look at corporate profits. “There is this nagging sense that the loss of the union has happened with the rise of inequality, the rise of money, that somehow it’s created an imbalance in society,” Freeman told me in a phone interview. “That sense is right. We need some other way that restores power to workers.” What the Chattanooga defeat should tell us is that labor unions probably can't be an answer to those problems. Economic change, particularly the rise of global competition, killed them. U.S. policy must aim to replace unions, not revive them.

### A2 Productivity Boost

#### Unions consistently and significantly cut profits and productivity doesn’t offset it – aff studies underestimate the effect

Hirsch 97 [Barry T. Hirsch, "Unionization and Economic Performance: Evidence on Productivity, Profits, Investment, and Growth," in Fazil Mihlar, ed. Unions and Right-to-Work Laws, Vancouver, B.C.: The Fraser Institute, 1997, pp. 35-70] AT

Union wage gains lower firm profitability unless offset by productivity enhancements in the workplace or higher prices in the product market. The evidence on productivity reviewed above indicates that unionization does not typically offset compensation increases. A rise in the price of the product sufficient to prevent a loss in profitability is possible only in a regulated industry where firms are "guaranteed" a competitive rate of return. In more competitive settings, where unionized firms compete with nonunion domestic companies and traded goods, there is little if any possibility of passing along increased cost via a rise in prices. Lower profitability will be reflected in decreased current earnings and measured rates of return on capital, and in a lower market valuation of the firm's assets. Ex-ante returns on 14 equity (risk-adjusted) should not differ between union and nonunion companies, since stock prices adjust to reflect expected earnings (Hirsch and Morgan 1994). Profit-maximizing responses by firms to cost differentials should limit the magnitude of differences in profitability between union and nonunion companies in the very long run. Differences in profits will be mitigated through the movement of resources out of union into nonunion sectors – that is, investment in and by union operations will decrease until post-tax (i.e., post-union) rates of return are equivalent to nonunion rates of return or, stated alternatively, union coverage will be restricted to economic sectors realizing above- normal, pre-union rates of returns. Because the quasi-rents accruing to long-lived capital may provide a principal source for union gains and complete long-run adjustments occur slowly, however, we are likely to observe differences in profitability as these adjustments take place. Empirical evidence points unambiguously that unionization leads to lower profitability, although studies differ to some degree in their conclusions regarding the magnitude and source of union gains.7 Lower profits are found using alternative measures of profitability. Studies using aggregate industry data typically employ as their dependent variable the industry price-cost margin (PCM) defined by (Total Revenue - Variable Costs) / Total Revenue – and typically measured by (Value Added - Payroll - Advertising) / Shipments. Line-of-business studies and some firm-level studies have used accounting profit- rate measures: the rate of return on sales, measured by earnings divided by sales, and the rate of return on capital, measured by earnings divided by the value of the capital stock. Firm-level analyses of publicly traded firms (e.g., Salinger 1984; Hirsch 1991a, 1991b) have used market-value measures of profitability, a common measure being Tobin's q, defined as a firm’s market value divided by the replacement cost of assets. Finally, there have been several "events" studies in which changes in market value attributable to votes for union representation or to unanticipated changes in collective bargaining agreements have been examined (e.g., Ruback and Zimmerman 1984; Bronars and Deere 1990; Abowd 1989; Olson and Becker 1990; and Becker and Olson 1992). The conclusion that unionization is associated with lower profitability is not only invariant to the profit measure used but also holds for studies using industries, firms, or lines-of-business as the unit of observation. The conclusion also holds regardless of the time period under study and, although there is diversity in results, most studies obtain estimates suggesting that unionized firms have profits that are 10 percent to 20 percent lower than the profits of nonunion firms. Economists are understandably skeptical that large profit differentials could survive in a competitive economy, notwithstanding the sizable profit differences between unionized firms and nonunionized firms found in the empirical literature. Yet there are two potentially important econometric biases causing effects of unionization to be understated. First, profit functions are estimated only for surviving firms, since those for which the effects of unionization are most deleterious may be less likely to remain in the sample. Second, unions are more likely to be organized where potential profits are higher; hence, the negative effect of unions on profits may be underestimated in empirical work where union density is treated as exogenous. In fact, those studies that attempt to account for the simultaneous determination of union status and profitability obtain larger estimates of unions’ effects upon profits (see Voos and Mishel 1986; Hirsch 1991a). That being said, the exact magnitude of the estimated profit differential between unionized firms and nonunionized firms can be sensitive to specification. Omission of factors positively correlated with union coverage and negatively correlated with profitability will cause an overstatement of the union profit effect.

#### Consensus proves unions only increase productivity in industries they can’t win wage gains – net effect is still negative

Hirsch 97 [Barry T. Hirsch, "Unionization and Economic Performance: Evidence on Productivity, Profits, Investment, and Growth," in Fazil Mihlar, ed. Unions and Right-to-Work Laws, Vancouver, B.C.: The Fraser Institute, 1997, pp. 35-70] AT

Despite substantial diversity in the literature about union productivity, several systematic patterns are revealed (Addison and Hirsch 1989). First, effects upon productivity tend to be largest in industries where the union wage premium is most pronounced. This pattern is what critics of the production function test predict – that union density coefficients in fact reflect a wage rather than a productivity effect. These results also support a "shock effect" interpretation of unionization, whereby management must respond to an increase in labor costs by organizing more efficiently, reducing slack, and increasing measured productivity. Second, positive effects by unions upon productivity are typically largest where competitive pressure exists and these positive effects are largely restricted to the private, for-profit, sectors. Notably absent are positive effects of unions upon productivity in public school construction, public libraries, government bureaus, schools, law enforcement (Byrne, Dezhbakhsh, and King 1996), and hospitals.6 This interpretation of the productivity studies has an interesting twist: the evidence suggests that a relatively competitive, cost-conscious economic environment is a necessary condition for a positive effect of unions upon productivity, and that the managerial response should be stronger, the larger the union wage premium or the greater the pressure on profits. Yet it is precisely in such competitive environments that there should be relatively little managerial slack and the least scope for union organizing and wage gains. Therefore, the possibility of a sizable effect by unions upon productivity across the whole economy appears rather limited.

#### Comprehensive research proves productivity losses offset or outweigh gains – their studies also don’t account for losses in investment

Hirsch 97 [Barry T. Hirsch, "Unionization and Economic Performance: Evidence on Productivity, Profits, Investment, and Growth," in Fazil Mihlar, ed. Unions and Right-to-Work Laws, Vancouver, B.C.: The Fraser Institute, 1997, pp. 35-70] AT

Despite the furor and contentiousness surrounding the effects of labor unions on productivity and productivity growth, the most comprehensive studies tend to find little causal effect due to unions. Four points surrounding this conclusion are worth emphasizing. First, a small overall impact does not mean that unions do not matter but, rather, that the net outcome of the positive and negative effects of unions on productivity roughly offset each other. Second, economy-wide studies measure the average effects of unions. Not surprisingly, there appears to be considerable diversity in outcomes across firms and industries, consistent with the considerable emphasis given to the importance of the economic and labor-relations environments. Third, the absence of a large positive effect upon productivity implies that union compensation gains are not offset, implying lower profitability and (typically) lower investment. That is, the important point to bring away from the productivity evidence is the absence of a large positive effect due to unions. Finally, studies of productivity and productivity growth control for differences in factor-input usage and growth. As will be seen subsequently, unionization is associated with significantly lower rates of investment and accumulation of physical and innovative capital. It is primarily through this route, rather than by direct effects on productivity, that we obtain slower growth in sales and employment in the union sectors of the economy and a concomitant decline in union membership.

#### Unions generally hurt companies

Hirsch 97 [Barry T. Hirsch, "Unionization and Economic Performance: Evidence on Productivity, Profits, Investment, and Growth," in Fazil Mihlar, ed. Unions and Right-to-Work Laws, Vancouver, B.C.: The Fraser Institute, 1997, pp. 35-70] AT

Critical to the assessment of labor unions, performance, and labor law is an understanding of unions’ effects on productivity.2 If collective bargaining in the workplace were systematically to increase productivity and to do so to such an extent that it fully offset compensation increases, then a strong argument could be made for policies that facilitate union organizing. A pathbreaking empirical study by Brown and Medoff (1978), followed by a body of evidence summarized in Freeman and Medoff's (1984) widely-read What Do Unions Do?, made what at the time appeared to be a persuasive case that collective bargaining in the U.S. is, on average, associated with substantial improvements in productivity. Productivity increases, it was argued, are effected through the exercise of collective voice coupled with an appropriate institutional response from management. According to this view, unions lower turnover and establish in workplaces more efficient governance structures that are characterized by public goods, complementarities in production, and long-term contractual relations. The thesis that unions significantly increase productivity has not held up well. Subsequent studies were as likely to find that unions had negative as opposed to positive effects upon productivity. A large union enhancement of productivity because of unionization is inconsistent with evidence on profitability and employment. And increasingly, attention has focused on the dynamic effect of unionization and the apparently negative effects of unions on growth in productivity, sales, and employment.

### A2 Aff Studies

#### A2 Individual Worker over time studies

Shirk 9 [(James Shirk, Research Fellow, Labor Economics Center for Data Analysis The Institute for Economic Freedom and Opportunity at The Heritage Foundation) “What Unions Do: How Labor Unions Affect Jobs and the Economy”] AT

Economists have attempted to correct this problem by examining how workers' wages change when they take or leave union jobs. This controls for unobservable worker qualities such as initiative or diligence that raise wages and may be correlated with union membership--the worker has the same skills whether he belongs to a union or not. These studies typically show that workers' wages rise roughly 10 percent when they take union jobs and fall by a similar amount when they leave those jobs.[12] Data errors become particularly problematic when following workers over time instead of comparing averages across groups. Some economists argue that these errors artificially diminish the union effect.[13] More recent research explicitly correcting for measurement errors has found that taking union jobs causes workers' wages to rise between 8 percent and 12 percent.[14] One Canadian study expressly examined how much of the difference between union and non-union wages was caused by unions and how much came from unmeasured individual skills. Over three-fifths of the higher wages earned by union members came from having more valuable skills, not from union membership itself.[15] Just as the land surrounding Silicon Valley does not itself raise wages, most of the difference between union and non-union wages has little or nothing to do with unions themselves.

#### A2 Wage Changes After Unionization studies

Shirk 9 [(James Shirk, Research Fellow, Labor Economics Center for Data Analysis The Institute for Economic Freedom and Opportunity at The Heritage Foundation) “What Unions Do: How Labor Unions Affect Jobs and the Economy”] AT

Studies tracking individual workers also do not prove that unionizing necessarily raises wages. Individual data do not account for firm-specific factors, such as large firms both paying higher wages and being targeted more commonly for organizing drives. To discover the causal affect of organizing on wages, researchers compare wage changes at newly organized plants with wage changes at plants where organizing drives failed. Such studies look at the same workers and same plants over time, thereby controlling for many unmeasured effects. These studies come to the surprising conclusion that forming a union does not raise workers' wages.[16] Wages do not rise in plants that unionize relative to plants that vote against unionizing. Several of the authors of these studies have endorsed EFCA, but their research argues that expanding union membership will not raise wages. This should not come as a complete surprise. Unions in competitive markets have little power to raise wages because companies cannot raise prices without losing customers. Additionally, some unions-- such as the Service Employees International Union--have expanded by striking deals promising not to seek wage increases for workers if the employer agrees not to campaign against the union.

### Education

#### Unions kill the economy, destroy public education, and tank city budgets which boosts the link to the budget turn

Hawkins 11 [John Hawkins (John Hawkins, political commentator, does weekly appearances on the #1 in it's market Jaz McKay show, writes two weekly columns for Townhall and a column for PJ Media. Additionally, his work has also been published at the Washington Examiner, The Hill, TPNN, Hot Air, The Huffington Post and at Human Events). “5 Reasons Unions Are Bad For America.” TownHall, Mar 08, 2011] AJ

1) Unions are severely damaging whole industries: How is it that GM and Chrysler got into such lousy shape that they had to be bailed out? There's a simple answer: The unions. The massive pensions the car companies paid out raised their costs so much that they were limited to building more expensive cars to try to get their money back. They couldn't even do a great job of building those cars because utterly ridiculous union rules prevented them from using their labor efficiently. America created the automobile industry, but American unions are strangling it to death. Unions also wrecked the steel and textile industries and have helped drive manufacturing jobs overseas. They're crippling the airline industry and, of course, we can't forget that... 2) Unions are ruining public education: Every few years, it's the same old story. The teachers’ unions claim that public education in this country is dramatically underfunded and if they just had more money, they could turn it around. Taxpayer money then pours into our schools like a waterfall and....there's no improvement. A few years later, when people have forgotten the last spending spree on education, the process is repeated. However, the real problem with our education system in this country is the teachers’ unions. They do everything possible to prevent schools not only from firing lousy teachers, but also from rewarding talented teachers. Merit pay? The unions hate it. Private schools? Even though everyone knows they deliver a better education than our public schools, unions fight to keep as many kids as possible locked in failing public schools. In Wisconsin, we've had whole schools shutting down so that lazy teachers can waste their time protesting on the taxpayers’ dime. Want to improve education in this country? Then you've got to take on the teachers’ unions. 3) Unions are costing you billions of tax dollars: Let's put it plain and simple: Government workers shouldn't be allowed to unionize. Period. Why? Because you elect representatives to look out for your interests. It's obviously in your interest to pay as little as possible to government workers, to keep their benefits as low as possible, and to hire as few of them as possible to do the job. However, because the Democratic Party and the unions are in bed with each other, this entire process has been turned on its ear. Instead of looking out for your interests, Democrats try to hire as many government workers as possible, pay them as much as possible, and give them benefits that are as generous as possible, all so that union workers will do more to get them re-elected. In other words, the Democratic Party and the unions are engaged in an open conspiracy to defraud the American taxpayer. There's no way that the American people should allow that to continue. 4) Unions are fundamentally anti-democratic : How in the world did we get to the point where people can be forced to join a union just to get a job at certain places? Then, after they're dragooned into the union, they have no choice other than to pay dues that are used for political activities which the unwilling dues-paying member may oppose. Add to that the fact that the Democrats and the government unions collaborate to subvert democracy at the expense of the taxpayer and it's not a pretty picture. Worse yet, unions have gotten so voracious that they even want to do away with the secret ballot, via card check, so they can openly bully people into joining unions. The way unions behave in this country is undemocratic, un-American, and it should trouble anyone who cares about freedom and individual rights. 5) Government unions are bankrupting cities and states: Government unions have bled billions from taxpayers nationally, but the damage they're doing on the local level is even worse. We have cities and states all across the country that are so behind on their bills that there have been genuine discussions about bankruptcy. There are a lot of irresponsible financial policies that have helped contribute to that sorry state-of-affairs, but unquestionably, the biggest backbreakers can be directly traced back to the unions. As the Washington Times has noted, union pensions are crushing budgets all across the country. Yet it comes as little surprise that the same profligacy that pervades the corridors of federal power infects this country’s 87,000 state, county and municipal governments and school districts. By 2013, the amount of retirement money promised to employees of these public entities will exceed cash on hand by more than a trillion dollars.

#### Strong public education is key to growth and reducing inequality – accesses a stronger link than the aff

Conerly 14 [(Contributor to Forbes) “Will Education Reduce Economic Inequality?” Forbes 10/1] AT

Can reducing inequality also stimulate economic growth? Some economists have suggested that better education would both help the poor and boost the total economy. In the first article in this series, Economic Impacts of Inequality, I described Arthur Okun’s metaphor of redistribution taking place with a “leaky bucket” in which some of the money taken from the rich is lost before it gets to the poor. If education could help the poor as well help the overall economy, then the leaky bucket would turn into a “widow’s cruse,” with more benefit to the poor than was taken from the rich. The economists writing about inequality for Standard & Poor’s report cited research showing that education correlated with income and wealth—no surprise there.

#### Weighing

#### long-term – education spills over to secure reduction of poverty for the future

#### Education is an independent good since it allows people to pursue their ends and escape poverty. Education is net preferable since it’s GUARANTEED to better their lives, whereas a living wage helps some and hurts others and is riskier – default neg

#### scope – education helps everyone since it has positive externalities on more people than just city workers.

#### Prefer impacts with large scope – individuals behind the veil are risk-averse and want to avoid their situation being worsened, so they’d prefer policies that help everyone minimally more than policies that help some a lot and harm others.